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Governor

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Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 02, 2019

TO: General File

Dana Dean, Associate Director – Mining  
Steve Christensen, Coal Permit Supervisor  
Paul Baker, Minerals Program Manager  
Wayne Western, Engineer  
Peter Brinton, Engineer  
Beverley Wiser

FROM: Wayne Western, Engineer

RE: Reclamation Cost Escalation Factor for 2019: 2.32%

Following are R.S. Means published January historical cost index values and escalation factors used for forecasting reclamation costs. Escalation factors were calculated using historical cost index based on the past five years and averaging equations identified on R.S. Means January 2019 Historical Cost Index.

Year	Historical Cost Index January	Calculated Escalation
2008	173.0	
2009	185.9	
2010	182.8	
2011	185.0	
2012	192.8	
2013	197.6	2.69%
2014	202.7	1.84%
2015	206.7	2.49%
2016	207.2	2.29%
2017	208.5	1.58%
2018	215.8	1.78%
2019	227.3	2.32%

Formula: Historical Cost Index (current year) = Historical Cost Index (current year – five years) \* (1+x)<sup>5</sup>

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